

VERMONT CENTER FOR GEOGRAPHIC INFORMATION, INC.

BOARD OF DIRECTORS

Minutes of Meeting 8:35 AM – 11:40 AM on June 18, 2013

Executive Director David Brotzman called the meeting to order at 8:35 a.m. The membership was represented as follows:

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| Richard Boes (Agency of Administration) | Present |
| Aaron Worthley (Private Sector – GIS Community) | Absent |
| Peter Fellows (Regional Planning Commissions) | Present |
| Thomas Hurd (Agency of Transportation) | Present |
| VACANT (House of Representatives) | Absent |
| Senator Kevin Mullin (Vermont Senate) | Present |
| Leslie Morrissey (Higher Education) | Present |
| Melissa Prindiville (Agency of Commerce & Community Development) | Present |
| Peter Telep (Agency of Natural Resources) | Present |
| Bruce Urie (VT Municipalities) | Present |
| Beverley Wemple, Ph.D. (Higher Education) | Present |

Executive Director David Brotzman and Stephen Sharp represented the staff. Business Manager Eve Dubois was also present.

Approval of Minutes

Motion to approve the minutes of the March 2013 meeting with revisions (TH). Second (LM) The motion was approved unanimously.

Financial Report

Balance Sheet – There is \$175,000 in a three-month CD which may be renewed, depending on end-of-year cash flow. \$167,011 designated as Orthofunds Collected, is for Chittenden County high resolution buy-up imagery acquisition. Funds will be held until final delivery of the product. There was some cost sharing of the buy-up, so the actual amount will be slightly less.

Income Statement – Net income is in keeping with what has accumulated year-to-date, which is much higher than the original budget.

Budget – David Brotzman discussed the relationship between project income and subcontract expense. Kevin Mullin questioned the increase in audit expense. David noted that the budgeted amount was in alignment with actual spending in the current year and the new auditor was selected because the previous auditor had been in place for 10+ years. The new auditor has a high level of expertise and performed a technology audit which had not been done before.

Next year, overhead will drop significantly: the current multiplier 2.3 (contributes to being in black), preliminary computation for next year is 1.6. Brotzman reminded the Board of up and down cycles over the years. The factors contributing to the drop this year vs. last year are Tropical Storm Irene and Linda Ladd as an employee was replaced by Eve Dubois as contractor. This lower overhead multiplier almost guarantees that the organization will be in the red at the close of FY 2014. Whatever cash VCGI accumulates this year will be needed next year. Rich Boes asked if there was a way to predict a steady state. Brotzman has discussed this with auditors in past years with no solution and will discuss again. Overall median is approx. 1.95. This might be an appropriate overhead multiplier to use for long-term budgeting/planning.

Motion to approve the budget (KM), Second (PF). The motion passed unanimously.

Operational Review

- *VTrans* contract going well. Upcoming year is final year of contract. Rich Boes asked about the difficulty of agencies contracting with VCGI. Brotzman said it was not a problem this year, next year will be a problem. Peter Telep questioned whether VCGI can compete for RFP contract. VTrans contract has been sole-sourced, VCGI cannot compete with private sector. Easier if VCGI is within state government.
- *VEM, DPS* Much progress has been made within their organization in developing their GIS capabilities. Dept. of Homeland Security has moved to VEM. This year VCGI has been providing support well beyond \$30,000 contract and happy to do so this year. Brotzman discussed with DPS and VEM management the need for the yearly support contract to increase to \$70,000. Peter Telep asked if VCGI was in state government, how would this be handled? Rich Boes responded it would be handled as a demand service—no change from where it is now.
- *Virtual VT* – the Virtual VT application was used in a Northeast regional exercise. The application performed as expected. Virtual USA model is maturing nationally.
- *E911* – VCGI has an SLA with E911 now. An MOU may be necessary in the future to meet data preparation and distribution support needs for E911.
- *Ag Dept* – Mike Brouillette is primary liaison, Dejung is supporting. Ag Dept. has a new hire to maintain GIS within the organization. VCGI is working with that individual.
- *VSJF* – Mike is updating data and working on a solar siting prototype using LiDAR.
- *SBI* – BroadbandVT.org was recently updated and integrated. The team (Pericle, VTA, DPS, ACCD) is currently preparing for state-wide drive testing. Drive testing was previously done in 2010. This year's drive testing will be done in September 2013. Broadband coverage report from providers will be as of 6/30/13—to be delivered to NTIA 10/1/13. End date of grant is 9/30/14.
- Rich Boes asked about upcoming grant possibilities. VCGI had been accidentally dropped from the FirstNet planning Committee but Paco Aumand has put Brotzman back on the attendee list. Rich Boes mentioned there were regional meetings this week, re: what is expected from states and what will be provided.

Legislative Review

Rich Boes mentioned there has been no legislative change this year, so VCGI should continue business as normal. Brotzman agreed—will work to fill board seats.

House and Senate Institutions Committees passed the yearly \$100,000 allocation in the Capital Fund in support of the statewide orthophotography program. This appropriation will fund year four of the five year program. The contractor will be flying northeast corner of state.

Brotzman read from Act 50 Sec E.123(a), as passed, the following language;

(a) No transfer of functions of the Geographic Information System (GIS) program shall occur in fiscal year 2014 without legislative approval. The Executive Director of the GIS program shall report on or before November 30, 2013 to the Joint Fiscal Committee on potential options for administrative and business office functions to be supported by an appropriate state entity and any other recommendations for long-term financial sustainability of the program.

Brotzman needs to prepare report, will be consulting with resources. Rich Boes mentioned that during testimony, the legislature wanted to understand about employee and benefit transfers. Legislators wanted more hard analysis, need to look at hypothetical, what-if scenarios. Finance & Management has provided a consultant to help make sure analysis is done thoroughly. Need to work closely with Dept. of Labor (e.g. existing vacation balances, years of service) to analyze

and include as part of report. Pete Fellows asked if there was an outline? Brotzman will share when there is one.

Imagery data program—high resolution flyover in Barre-Montpelier for NGA and in Chittenden County funded by CCRPC. Sun availability was great, but there was leaf-out along lake when there was snow in the mountains. If there is too much snow in the Eden, Jay areas, Brotzman will add on repeat coverage next year since areas immediately adjacent will be flown.

Enterprise Geospatial Consortium

- Worked items in the FY14 business plan,
- Created LiDAR workgroup that released LiDAR acquisition plan,
- Working to create a GIS career ladder in the state,
- Created a Data Warehouse Workgroup to re-design and rebuild the State's Geospatial Warehouse,
- Implemented a Web Services Strategy.

Beverly Wemple asked about data warehouse survey. Steve Sharp stated it was part of user stories as basis for requirements for redesigned data warehouse. Steve Sharp is project manager for data warehouse workgroup. Current data warehouse design is 10 years old. Expectations now are radically different. The workgroup has a plan. All major (Ag, VTRans, E911, ACCD, RPCs, VDH, UVM, VMC) agencies are involved. DPS, DII, & VEM are invited but don't usually show up. Technology upgrade needed to happen before redesign could happen. Leslie Morrissey asked about the status of LiDAR plan. Brotzman stated VCGI recently created a proposal to NRCS to create a public-private partnership re: LiDAR to create a strategy for statewide acquisition.

Strategic Planning

- Time line of legislative discussions on merger with DII was presented. The first meeting with House Appropriations was focused on VCGI's FY14 appropriation. There was no mention of merger, as recommended, because it should be introduced first in House Gov Ops. House Gov Ops created a first version of the change legislation. That language kept the organization as is but eliminated corporate status and Board and gave DII administrative status.
- House Gov Ops had testimony from the state employees union stating they had no objection to the changes. At House Appropriations, Commissioner Duffy (Dept. of Labor) stated her office would need a little more work to consider these changes. House Appropriations sent the Bill back to House Gov Ops to do more work. This was at mid-April, there were other priorities in the Legislature and it was decided these issues could be solved between the end of the FY14 session and the start of the FY15 session.
- Brotzman testified to Senate Appropriations re: FY14 appropriation. Senator Westman mentioned that in regards to the potential merge with DII, he had concerns about losing contact with the VCGI ED for discussions about the appropriation if VCGI moved into state government. He included language in Act 50 Sec E.123(a) to address this concern.
- Brotzman asked the Board if there were any changes in their feelings about moving forward with the merge. Beverly Wemple recognized there were some difficult financial circumstances that necessitated action. Brotzman reiterated that situation had not changed; there is nothing on the horizon that will replace the NTIA grant. Known potential revenue from agencies & departments don't offset "VCGI fiscal cliff" from NTIA grant expiring.
- Peter Telep asked what funding model will be if VCGI merges into DII. Rich Boes states it would eliminate problem of not being able to compete, address funding gap (NTIA end) by reducing expenses. State government support would provide savings through financial administration, personnel re: overhead, auditor, insurance costs, etc.
- Kevin Mullen asks who will make sure questions are addressed? Kate Duffy will provide someone to help. Brotzman will follow up with the Dept. Of Labor.
- Tom Hurd still in favor of moving ahead citing the need for security of data, redundancy, enterprise licensing to

save expenses across state government.

- Leslie Morrissey asked what the long term cost to the state would be if VCGI ceased to exist. Rich Boes stated this analysis should be part of the financial analysis. Services are available from private sector, but are they aligned? Steve Sharp was concerned the holistic aspect of work (coordination, outreach), —if you break it out you lose that. Rich Boes stated we should consider municipalities and other users of information, consider if VCGI didn't exist, how would they get that information or perform their functions without the information?
- Brotzman will move forward as directed in December 2012 unless the Board provides other direction in the future. Melissa Prindiville stated she was against merger with DII, needs more information on Business Model and believes the merger needs more planning. Suggested original legislative language should be revisited. Brotzman stated House Gov Op suggested the changes, and they were reluctant to make any changes beyond what was necessary for the merge. Rich Boes stated legislature wanted to look at merger without changes to legislative language. Peter Telep would like further discussion re: business plan, not convinced services are aligned with needs of state government, beyond financial, and wondered what VCGI operational responsibilities would look like 4 years from now under DII. Rich Boes was supportive of moving into state government, but needs more analysis, better plan. Data could be presented in form of business plan. Board could specify business plan format as way to answer legislature's questions. Peter Telep suggested the ED could use strategic plan as guide. Beverly Wemple was concerned constituencies that are not state agencies may be negatively affected and they need to know. Brotzman believes state appropriation is key to supporting non-state agencies. Beverly Wemple would like to see specification of how state appropriation is currently used and how it will change. Rich Boes stated need to provide plan for oversight—could be addressed by modification to legislative language (e.g. Division will provide annual report including how we support RPCs, Higher Ed).
- Brotzman will provide drafts of Plan to Board as it comes together and well before the due date. Out-of-state and in-state resources will be used.

Medical insurance- VCGI uses Digital Benefit Advisors for consulting on healthcare options. Only 2 providers now, same two on proposed health exchange. Limited number of plans will be available, same as today. VCGI usually reviews healthcare options in October/November time frame—will do the same this year. Plan is to spend approximately the same amount of money as currently budgeted.

Executive Session

Compensation:

Employees COLA 2%

Bonuses Pool of 0.5% to be distributed as determined by Brotzman

Executive Director COLA 2%

Thanks to the staff for their hard work.

Other Items

Tom Hurd resigned Secretary/Treasurer position. Melissa nominated as Secretary/Treasurer. Unanimously elected.

Motion to adjourn (PF), seconded (RB). Unanimously passed. Next meeting was tentatively scheduled for September 17, 8:30 - 10:30. Brotzman will send out meeting reminder